

Muscatine Power and Water

Water Utility

Operating Statements and Balance Sheets

January 2013

**Muscatine Power and Water
Water Utility**

Table of Contents

	Page
Classification of Water Distribution.....	1
Statements of Revenues, Expenses, and Changes in Net Position.....	2
Statements of Net Position.....	3-4
Statements of Cash Flows.....	5-6
Summary of Expenses.....	7-8
Statistical Data.....	9

Muscatine Power and Water - Water Utility
Classification of Water Distribution
Current Month - January 2013

	<u>Budget</u> <u>Estimate</u>	<u>%Increase (Decrease)</u> <u>From Budget</u>	<u>This Year</u>	<u>%Increase (Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last Year</u>
<u>Water Distribution - 1,000 Gallons</u>					
Contract Customers	607,376	(9.0)	552,889	(0.6)	556,045
Power Plants	73,862	9.3	80,705	3.1	78,268
Residential	37,847	(1.4)	37,312	(2.0)	38,055
Commercial	<u>29,955</u>	<u>(1.3)</u>	<u>29,553</u>	<u>8.6</u>	<u>27,206</u>
Total Metered Customers	749,040	(6.5)	700,460	0.1	699,574
Rated Customers - Estimate	---	---	19	3.8X	4
City Use, Line Loss, Cycle Billing	<u>44,942</u>	<u>(6.5)</u>	<u>42,028</u>	<u>0.1</u>	<u>41,974</u>
Total Water Pumped	<u>793,982</u>	<u>(6.5)</u>	<u>742,507</u>	<u>0.1</u>	<u>741,552</u>

Muscatine Power and Water - Water Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - January 2013

	<u>Budget Estimate</u>	<u>%Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>%Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>Sales of Water</u>					
Contract Customers	\$187,122	(7.5)	\$173,036	(2.3)	\$177,082
Power Plants	28,474	7.4	30,587	7.6	28,429
Residential	117,928	5.0	123,819	4.4	118,572
Commercial	<u>38,516</u>	(0.7)	<u>38,248</u>	10.3	<u>34,690</u>
Water Sales	<u>372,040</u>	(1.7)	<u>365,690</u>	1.9	<u>358,773</u>
<u>Other Revenue</u>					
Penalty Revenue	625	(70.1)	187	186.0X	1
Merchandise & Job Sales-Net	791	(89.5)	83	(83.2)	495
Miscellaneous Revenue	<u>805</u>	7.2X	<u>6,595</u>	6.4X	<u>897</u>
Total Other Revenue	<u>2,221</u>	2.1X	<u>6,865</u>	3.9X	<u>1,393</u>
Operating Revenue	<u>374,261</u>	(0.5)	<u>372,555</u>	3.4	<u>360,166</u>
<u>Operating Expense</u>					
Operation	307,898	(14.0)	264,890	6.4	248,861
Maintenance	46,530	3.9	48,363	4.7X	8,422
Depreciation	<u>56,506</u>	(7.4)	<u>52,340</u>	6.6	<u>49,083</u>
Total Operating Expense	<u>410,934</u>	(11.0)	<u>365,593</u>	19.3	<u>306,366</u>
Operating Income (Loss)	<u>(36,673)</u>	-1.2X	<u>6,962</u>	(87.1)	<u>53,800</u>
<u>Nonoperating Revenues (Expenses)</u>					
Interest Income	49	(61.2)	19	1.1X	9
Interest Expense	<u>(669)</u>	0.0	<u>(669)</u>	(12.8)	<u>(767)</u>
Net Nonoperating Revenues (Expenses)	<u>(620)</u>	4.8	<u>(650)</u>	(14.2)	<u>(758)</u>
Net Income before Capital Contributions	<u>(37,293)</u>	-1.2X	<u>6,312</u>	(88.1)	<u>53,042</u>
Capital Contributions	<u>---</u>	---	<u>52,503</u>	---	<u>---</u>
Change in Net Position	<u>(37,293)</u>	-2.6X	<u>58,815</u>	10.9	<u>53,042</u>
Beginning Net Position	<u>14,107,489</u>		<u>14,107,489</u>		<u>13,680,053</u>
Ending Net Position	<u>\$14,070,196</u>		<u>\$14,166,304</u>		<u>\$13,733,095</u>
Net Income (Loss) to Operating Revenue	(10.0)		1.7		14.7
Debt Service Coverage	6.62		19.76		27.24

Muscatine Power and Water - Water Utility
Statements of Net Position
January 2013

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash - interest bearing	\$495,554	\$489,032
Receivables:		
Consumer Accounts	502,346	479,503
Intercompanies Receivable	---	59,260
Interest	2	4
Inventories	293,585	302,483
Prepaid Expenses	38,374	39,305
Total Current Assets	<u>1,329,861</u>	<u>1,369,587</u>
Property and Equipment:		
At Cost	24,994,757	24,124,433
Less Accumulated Depreciation	<u>9,542,546</u>	<u>9,128,925</u>
Net Property and Equipment	<u>15,452,211</u>	<u>14,995,508</u>
TOTAL ASSETS	<u><u>\$16,782,072</u></u>	<u><u>\$16,365,095</u></u>

Muscatine Power and Water - Water Utility
Statements of Net Position
January 2013

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Restricted</u>		
State Revolving Loan	\$28,000	\$34,000
Accrued Interest	<u>1,647</u>	<u>1,960</u>
Total Current Restricted Liabilities	<u>29,647</u>	<u>35,960</u>
<u>Unrestricted</u>		
Accounts Payable	186,754	95,838
Pension provision	10,037	9,618
Health & Dental Insurance Provision	17,316	19,578
Intercompanies Payable	---	---
Retained Percentage on Contracts	9,842	---
Consumer Advances for Construction	1,119,121	338,326
Accrued Payroll	53,766	37,543
Accrued Vacation	94,906	79,326
Miscellaneous Accrued Expenses	58,595	39,898
Miscellaneous Deferred Credits	<u>5,200</u>	<u>5,200</u>
Total Current Unrestricted Liabilities	<u>1,555,537</u>	<u>625,327</u>
Non-Current Liabilities:		
State Revolving Loan	219,000	240,000
Health & Dental Insurance Provision	166,268	146,455
Post-Employment Health Benefit Provision	14,792	14,128
Consumer Advances for Construction	<u>630,524</u>	<u>1,570,130</u>
Total Non-Current Liabilities	<u>1,030,584</u>	<u>1,970,713</u>
Net Position:		
Invested in capital assets, net of related debt	13,455,566	12,813,052
Unrestricted	<u>710,738</u>	<u>920,043</u>
Total Net Position	<u>14,166,304</u>	<u>13,733,095</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$16,782,072</u>	<u>\$16,365,095</u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
January 2013

	<u>Current</u> <u>Month</u>
Cash flows from operating activities:	
Cash received from:	
Water sales	\$363,657
Miscellaneous sources	6,806
Cash paid to/for:	
Suppliers	(234,517)
Employees payroll, taxes and benefits	<u>(171,268)</u>
Net cash flows from operating activities	<u>(35,322)</u>
Cash flows from capital and related financing activities:	
Capital expenditures, net	<u>(116,114)</u>
Net cash flows from capital and related financing activities	<u>(116,114)</u>
Cash flows from investing activities:	
Interest received on investments	<u>20</u>
Net cash flows from investing activities	<u>20</u>
Net increase (decrease) in cash and investments	<u>(151,416)</u>
Cash and investments at beginning of period	<u>646,970</u>
Cash and investments at end of period	<u>\$495,554</u>

Muscatine Power and Water - Water Utility
Statements of Cash Flows
January 2013

	<u>Current</u> <u>Month</u>
Reconciliation of operating income to net cash flows from operating activities	
Operating income	\$6,962
Noncash item in operating income:	
Depreciation of utility plant	52,340
Changes in assets and liabilities:	
Consumer accounts receivable	(188)
Inventories	(1,716)
Prepaid and deferred expenses	(19,049)
Accounts payable	(108,856)
Pension provision	10,037
Health & dental insurance provision	2,306
Other post-employment benefit provision	207
Intercompany payable	(8,493)
Retained Percentage	1,608
Accrued payroll	19,343
Accrued vacation	9,259
Miscellaneous accrued expenses	<u>918</u>
Net cash flows from operating activities	<u><u>(\$35,322)</u></u>

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - January 2013

	<u>Budget Est.</u>	<u>This Year</u>	<u>Last Year</u>
<u>Source of Supply</u>			
Operation Supervision	\$2,455	\$2,442	\$2,359
Operation Labor and Expenses	1,325	2,205	1,001
Miscellaneous Expense	108	432	---
Maintenance of Wells	---	129	---
Maintenance of Supply Mains	735	3,489	2,787
Depreciation	<u>5,962</u>	<u>5,958</u>	<u>5,911</u>
 Total Source of Supply Expense	 <u>10,585</u>	 2.8	 <u>12,058</u> 3.3
 <u>Pumping</u>			
Operation Supervision	2,850	2,841	2,773
Fuel or Power Purchased	59,300	55,406	51,908
Pumping Labor and Expenses	3,929	3,092	3,515
Miscellaneous Expense	217	304	306
Maintenance of Structures	2,642	---	---
Maintenance of Pumping Equipment	5,082	5,881	(22,610)
Depreciation	<u>5,498</u>	<u>5,498</u>	<u>5,498</u>
 Total Pumping Expense	 <u>79,518</u>	 21.2	 <u>41,390</u> 11.5
 <u>Water Treatment</u>			
Operation Supervision	2,845	2,875	2,811
Chemicals	16,916	15,690	15,604
Operation Labor and Expenses	18,846	13,729	12,695
Miscellaneous Expense	2,659	1,513	481
Maintenance of Structures	2,380	5,550	939
Maintenance of Purification Equip.	952	3,255	876
Depreciation	<u>2,352</u>	<u>2,338</u>	<u>2,338</u>
 Total Water Treatment Expense	 <u>46,950</u>	 12.5	 <u>35,744</u> 9.9
 <u>Distribution</u>			
Operation Supervision	2,834	2,823	2,789
Storage Facilities Expense	3,645	3,999	4,439
Trans. & Distr. Lines Expense	10,132	2,581	3,451
Meter Expense	10,088	8,147	11,748
Consumer Installation Expense	6,511	2,891	4,910
Miscellaneous Expense	11,829	13,209	8,116
Vehicle Expense	5,103	4,356	5,316
Maintenance:			
Supervision	4,397	4,649	4,513
Structures	139	224	613
Reservoirs and Standpipes	27	175	588
Mains	13,974	12,800	6,578
Valves	4,644	3,723	779
Meters	4,619	1,385	4,309
Hydrants	2,471	2,728	3,799
Miscellaneous Plant	2,582	2,562	3,161
Vacation, Holiday, Sick Leave	13,508	18,859	12,899
Depreciation	<u>31,526</u>	<u>31,035</u>	<u>30,533</u>
 Total Distribution Expense	 <u>\$128,029</u>	 34.2	 <u>\$108,541</u> 30.1

Muscatine Power and Water - Water Utility
Summary of Expenses
Current Month - January 2013

	<u>Budget Est.</u>	<u>This Year</u>	<u>Last Year</u>	
<u>Customer Service Expense</u>				
Customer Information Expense	<u>\$1,814</u>	0.5	<u>\$462</u>	0.1
				<u>\$1,258</u>
				0.3
<u>Consumer Accounts</u>				
Supervision	1,227	1,399	1,023	
Meter Reading Expense	3,730	4,489	4,110	
Consumer Records and Collection	13,109	14,119	12,078	
Uncollectible Accounts Expense	569	569	480	
Vacation, Holiday, Sick Leave	<u>2,063</u>	<u>2,767</u>		<u>1,890</u>
Total Consumer Accounts Expense	<u>20,698</u>	5.5	<u>23,343</u>	6.3
				<u>19,581</u>
				5.4
<u>Administrative and General</u>				
Administrative and General Salaries	15,771	15,361	12,298	
Office Supplies and Expenses	2,314	1,739	1,222	
Outside Services Employed	24,815	803	240	
Property Insurance	1,311	971	808	
Casualty Ins, Injuries & Damages	3,148	2,537	5,037	
Employee Pensions and Benefits	48,110	48,164	47,039	
Fringe Benefits Charged to Constr.	(1,195)	(1,446)		(806)
Miscellaneous General Expense	7,486	5,721	6,702	
Rents	5,579	5,579	5,754	
Maintenance of General Plant	1,886	1,813	2,090	
Vacation, Holiday, Sick Leave	2,947	4,262	2,607	
Depreciation	<u>11,168</u>	<u>7,511</u>		<u>4,803</u>
Total Administrative and General	<u>123,340</u>	33.0	<u>93,015</u>	25.0
				<u>87,794</u>
				24.4
Total Operating Expense	<u>\$410,934</u>		<u>\$365,593</u>	
				<u>\$306,366</u>
Percent to Operating Revenue		109.8	98.1	85.1

Muscatine Power and Water - Water Utility
Statistical Data
Current Month - January 2013

	<u>2013</u>		<u>2012</u>	
	<u>Pumped</u>	<u>Sold</u>	<u>Pumped</u>	<u>Sold</u>
Average Revenue Per 1,000 Gallons	0.493	0.522	0.484	0.513
Cost Per 1,000 Gallons	<u>0.492</u>	<u>0.522</u>	<u>0.413</u>	<u>0.438</u>
Margin	<u>0.000</u>	<u>0.000</u>	<u>0.071</u>	<u>0.075</u>
Maximum Daily Water Pumped (1,000 gallons)	<u>2013</u>		<u>2012</u>	
Date of Maximum	26,900		26,120	
	01/17		01/10	
Services				
Contract Customers	2		2	
Power Plants	2		2	
Residential	8,571		8,534	
Commercial	<u>1,088</u>		<u>1,081</u>	
Total	<u>9,663</u>		<u>9,619</u>	